STANDARD MAIL PARCEL
MAIL PROCESSING COST MODEL

I. PREFACE

A. Purpose and Content

USPS-FY13-12 documents the mail processing unit cost estimates for Standard Mail machinable, irregular, and marketing parcels.

B. Predecessor Document

Docket No. ACR2012, USPS-FY12-12

C. Corresponding Non-Public or Public Document

There is no non-public document that directly corresponds to USPS-FY13-12.

D. Methodology Changes

The Standard Mail parcel mail processing cost model relies on the same methodology presented in Docket No. ACR2012, USPS-FY12-12.

E. Inputs/Outputs

The Standard Mail parcel mail processing unit cost estimates are calculated using the following inputs:

Input Source	Input Description
USPS-FY13-4	Standard Mail Billing Determinants
USPS-FY13-7	Volume variability factors Premium pay factors Other mail processing wage rate Overhead factors
USPS-FY13-14	Percentage of Marketing parcels weighing over 6 ounces
USPS-FY13-23	Productivity data
USPS-FY13-25	Piggyback factors

USPS-FY13-26	Standard Mail parcel mail processing unit cost estimate by cost pool
2013 WebEOR data	Equipment reject rates
2010 PostalOne! data	Non-dropship entry point percentages
2009 ODIS data	ASF coverage factor ASF dock transfer percentage SCF IPP coverage factors
2009 WebEOR data	PPSM transfer volume percentage PPSM finalization percentage
2009 Standard Mail parcel / NFM field study	Irregular rolls percentage Productivity data Pieces per sack estimates Average container heights Average container fullness percentages Mailer arrival profile Postal arrival and dispatch profiles Container space utilization percentages IPP operation outgoing volume percentage Average cubic feet per piece by mail type
USPS-FY08-15	PSM keying productivity estimate

The Standard Mail cost estimate outputs are relied upon to develop the discounts and passthrough values contained in USPS-FY13-3.

II. ORGANIZATION

The Standard Mail parcel cost estimates are presented in the Microsoft Excel workbook 'USPS-FY-13-12.xls' in the spreadsheet tab entitled 'MP Summary' (page 1). Data sources are referenced in each spreadsheet throughout the workbook.